

**ANNUAL REPORT**  
*of the*  
✓ **DETROIT AND MACKINAC**  
**RAILWAY COMPANY**

TRANSPORTATION LICENSE

**FOR THE FISCAL YEAR ENDED DECEMBER 31st**  
**1934**



**ANNUAL REPORT**  
*of the*  
**DETROIT AND MACKINAC**  
**RAILWAY COMPANY**

**FOR THE FISCAL YEAR ENDED DECEMBER 31st**

**1934**



# DETROIT AND MACKINAC RAILWAY COMPANY

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## DIRECTORS AND OFFICERS

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### BOARD OF DIRECTORS

HENRY K. McHARG.....	Ridgefield, Conn.
DAVID H. PIERSON.....	Elizabeth, N. J.
JAMES BROWN MABON.....	New York, N. Y.
JAMES McNEIL.....	New York, N. Y.
EDWIN G. MERRILL.....	New York, N. Y.

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### OFFICERS

HENRY K. McHARG,	
<i>President</i> .....	Ridgefield, Conn.
C. A. PINKERTON,	
<i>Vice-President and General Manager</i> .....	Tawas City, Michigan
JAMES McNEIL,	
<i>Secretary and Treasurer</i> .....	New York, N. Y.
GEORGE J. BERGEVIN,	
<i>Auditor</i> .....	Tawas City, Michigan
N. W. SALSBERY,	
<i>Asst. Treasurer and Asst. Secretary</i> .....	Tawas City, Michigan
R. W. HICKEY,	
<i>Purchasing Agent</i> .....	Tawas City, Michigan
CARL R. HENRY,	
<i>General Counsel</i> .....	Alpena, Michigan
A. S. MATTESON,	
<i>Traffic Manager</i> .....	Alpena, Michigan

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### FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company.....	New York, N. Y.
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### REGISTRAR OF STOCK

Central Hanover Bank and Trust Company.....	New York, N. Y.
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### ANNUAL MEETING

The last Tuesday in April in each year is the date set for Annual Meeting of Stockholders.

General Office (in Michigan).....	Tawas City, Michigan
General Office (outside of Michigan).....	110 William Street, New York, N. Y.

**COLEGROVE, MURPHY & ANGELL  
CERTIFIED PUBLIC ACCOUNTANTS  
LAFAYETTE BUILDING  
DETROIT**

ALBERT M. COLEGROVE, C. P. A.  
HARRY L. MURPHY, C. P. A.  
C. ROBERT ANGELL, C. P. A.

February 9, 1935

Mr. George J. Bergevin, Auditor,  
Detroit and Mackinac Railway Company,  
Tawas City, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1934, and herewith present statements showing the result of the operation of your company for the period under review.

We certify that, according to the books and records, the attached balance sheet reflects the true financial condition of your company as at December 31, 1934, and the accompanying schedules are a correct expression of the results of your operations for the year ended on that date.

Respectfully,

**COLEGROVE, MURPHY & ANGELL,**  
By Harry L. Murphy,  
Certified Public Accountant.

REPORT OF THE  
PRESIDENT TO THE STOCK AND BONDHOLDERS  
OF THE  
DETROIT AND MACKINAC RAILWAY COMPANY

New York, N. Y., February 14, 1935.

To the Stockholders and Bondholders of the Detroit and Mackinac Railway Company:

It gives me pleasure to report to you that your property has not only been maintained during the past year, but has actually improved its condition. This is due to the results of various influences, i. e.:

First, the State's Tax Commission reduced our valuation to \$1,000,000.00, but as I write this report the market value of all our securities according to New York Stock Exchange sales, both Bonds and Stock, stand at \$760,000.00.

Second, the action our Bondholders took extending the payment of four coupons to January 1, 1938.

Third, our gross earnings increased \$31,000.00 for the year with an increase of only \$5,500.00 in expenses. This has been obtained by the loyalty and zeal of our officers and men employed in the various departments.

That you may be informed of the decrease in earnings the past twelve years, your attention is called to Table E-1 showing these yearly decreases mainly caused by the automobiles and trucks. The other usual tables for your information follow.

Respectfully submitted,

HENRY K. McHARG,

*President.*

## BONDHOLDERS' COMMITTEE

HENRY K. McHARG, Chairman  
JAMES B. MABON  
EDWIN G. MERRILL

JAMES McNEIL, Secretary  
CARL R. HENRY, Counsel

The Bondholders' Committee was formed on April 16, 1934, and, after considering the financial condition of the Company, the Committee recommended a deferred payment plan of interest coupons due December 1, 1933 to June 1, 1935, inclusive, to January 1, 1938. This recommendation was approved by the holders of more than 75% of both issues of bonds.

The Committee, on September 17, 1934, with the approval of the Directors, declared the plan adopted and called for the deposit, with the Bank of New York and Trust Co., of the coupons for the two year period. Bondholders thereafter deposited coupons from \$1,399,000.00 out of \$1,500,000.00 of First Lien Bonds, and \$1,005,000.00 out of \$1,250,000.00 of Mortgage Bonds.

It is hoped that earnings during 1935 will sufficiently increase to permit resumption of interest payments in December, 1935. The Committee considers that their recommendation made early in the year has been justified by concurrence of so large a percentage of the security holders, and that the plan will work out more satisfactorily than any reorganization.

HENRY K. McHARG,  
Chairman of Committee.



# DETROIT AND MACKINAC RAILWAY COMPANY

## OFFICE OF AUDITOR

Tawas City, Mich., Feb. 11, 1935.

HENRY K. McHARG, ESQ.,  
*President.*

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ended December 31st, 1934, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Revenues and Expenses by years.

TABLE E-1—Net Revenue from Railway Operations and Tax Accruals by years.

TABLE F—Details of Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1933 and 1934.

TABLE I—Statistics for years 1933 and 1934.

TABLE J—Equipment.

TABLE K—Yard Tracks, Sidings and Spurs built and taken up during year.

Respectfully,

GEORGE J. BERGEVIN,  
Auditor.

TABLE A

## DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1934, AND COMPARISON WITH  
GENERAL BALANCE SHEET AS OF DECEMBER 31, 1933, SHOWING INCREASE OR DECREASE

## ASSETS

	Items	Total	Increase	Decrease
<i>Investments:</i>		\$7,310,182.92		
Investment in Road and Equipment.....	\$ 7,241,951.03			\$37,935.92
Miscellaneous Physical Property.....	47,955.39		\$24,118.15	
Investments in Affiliated Companies.....	20,276.50			5,913.99
<i>Current Assets:</i>		328,734.39		
Cash .....	128,295.72		96,963.43	80.00
Special Deposits—J. P. Morgan Coupon Account.....	120.00			6,519.89
Traffic and Car Service Balances Receivable.....	5,444.05			
Net Balances Receivable from Agents and Conductors.....	11,524.73		5,931.35	
Miscellaneous Accounts Receivable.....	22,629.20		371.88	
Material and Supplies.....	160,648.39		8,413.36	
Other Current Assets.....	72.30		17.07	
<i>Deferred Assets:</i>		820.51		
Working Fund Advances.....	596.78		29.24	
Other Deferred Assets.....	223.73			4,197.28
<i>Unadjusted Debits:</i>		13,256.43		
Insurance Premiums Paid in Advance.....	4,944.58		3,234.08	
Other Unadjusted Debits.....	8,311.85		8,172.15	
Total.....		\$7,652,994.25	\$92,603.63	

TABLE A—(Continued)

## LIABILITIES

Items	Total	Increase	Decrease
<i>Capital Stock:</i>			
Common Stock.....	\$2,950,000.00		
Preferred Stock.....			
		\$ 313.10	
<i>Grants in Aid of Construction:</i>			
<i>Long Term Debt:</i>			
First Lien Bonds.....	2,750,000.00		
Mortgage Bonds.....			
Pledged as Collateral.....			
Outstanding.....			
	507,431.03		
<i>Current Liabilities:</i>			
Loans and Bills Payable.....	250,000.00		
Traffic and Car Service Balances Payable.....	30,469.62	1,282.64	
Audited Accounts and Wages Payable.....	32,134.19		
Miscellaneous Accounts Payable.....	13,159.61	10,169.47	\$ 3,389.94
Interest Matured Unpaid.....	170,064.48	114,864.48	
Unmatured Interest Accrued.....	10,000.00	833.33	
Other Current Liabilities.....	1,603.13	103.13	
<i>Unadjusted Credits:</i>			
Tax Liability.....	27,396.00		51,268.86
Accrued Depreciation—Road.....	133,576.04		
Accrued Depreciation—Equipment.....	624,339.99	14,136.04	
Other Unadjusted Credits.....	1,310.95		823.09
<i>Corporate Surplus:</i>			
Additions to Property through Income and Surplus.....	1,856,202.32		490.45
Profit and Loss—Debit Balance.....	1,197,575.18	6,873.78	
Total.....	\$7,652,994.25	\$92,603.63	

TABLE B

## DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT, DECEMBER 31, 1934, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1933

	1934	1933	Increase	Decrease
Freight .....	\$ 530,785.20	\$ 494,230.91	\$36,554.29	
Passenger .....	31,770.32	30,037.41	1,732.91	
Excess Baggage .....	177.84	240.54		\$ 62.70
Mail .....	39,781.41	39,740.25	41.16	
Express .....	12,637.12	20,821.82		8,184.70
Other Passenger Train .....	3,134.27	2,414.10	720.17	
Milk .....	8,119.51	7,559.76	559.75	
Switching .....	187.85	192.08		4.23
Special Service Train .....		462.00		462.00
Station, Train and Boat Privileges .....	57.30	40.19	17.11	
Parcel Room .....	4.00	2.60	1.40	
Storage — Freight .....	366.66	250.70	115.96	
Storage — Baggage .....	2.40	3.06		.66
Demurrage .....	476.00	497.00		21.00
Telegraph and Telephone .....	342.64	309.33	33.31	
Rents of Buildings and Other Property .....	3,715.82	3,489.54	226.28	
Miscellaneous .....	1,337.30	1,663.52		326.22
Joint Facilities — Cr. ....	10.07	7.31	2.76	
Joint Facilities — Dr. ....	1.35	1.35		
Total Operating Revenues .....	\$ 632,904.36	\$ 601,960.77	\$30,943.59	
OPERATING EXPENSES				
Maintenance of Way and Structures .....	\$ 114,118.14	\$ 115,187.24		\$ 1,069.10
Maintenance of Equipment .....	79,707.26	88,348.68		8,641.42

TABLE B—(Continued)

	1934	1933	Increase	Decrease
Traffic .....	\$ 10,310.90	\$ 11,661.73		\$ 1,350.83
Transportation — Rail Line .....	254,831.14	249,333.78	\$ 5,497.36	
Miscellaneous Operations .....	74.84		74.84	
General .....	55,375.55	44,921.26	10,454.29	
Transportation for Investment — Cr. ....	85.10	527.97		442.87
Total Operating Expenses.....	\$ 514,332.73	\$ 508,924.72	\$ 5,408.01	
Net Operating Revenue.....	118,571.63	93,036.05	25,535.58	
Railway Tax Accruals .....	1,733.27	42,747.21		41,013.94
Uncollectible Railway Revenues .....	24.37	16.24	8.13	
Railway Operating Income.....	\$ 116,813.99	\$ 50,272.60	\$66,541.39	
Income from Lease of Road.....	2,120.90	1.00	2,119.90	
Miscellaneous Rent Income.....	447.00	26.00	421.00	
Miscellaneous Non-operating Physical Property .....	2,364.24	† 1,097.65	3,461.89	
Income from Unfunded Securities and Accounts .....		.42		.42
Miscellaneous Income .....	653.74	1,201.48		547.74
Equipment Rents .....	† 13,624.38	† 1,737.95		11,886.43
Joint Facility Rents .....	† 1,268.57	† 1,689.03	420.46	
Total Income .....	\$ 107,506.92	\$ 46,976.87	\$60,530.05	
Miscellaneous Rents .....	30.00	30.82		.82
Miscellaneous Tax Accruals .....	854.96	820.05	34.91	
Interest on Funded Debt .....	110,000.00	110,000.00		
Interest on Unfunded Debt .....	9,999.86	9,737.04	262.82	
Miscellaneous Income Charges.....	966.40	1,400.72		434.32
Income Balance Transferred to Profit and Loss.....	\$* 14,344.30	\$* 75,011.76	\$60,667.46	
† Debit.      * Deficit.				

TABLE B—(Continued)

## DETROIT AND MACKINAC RAILWAY COMPANY

## PROFIT AND LOSS ACCOUNT

Debit Balance, January 1, 1934.....	\$1,204,448.96	
Debit Balance Transferred from Income.....	14,344.30	
Miscellaneous Credits .....		\$ 21,813.74
Loss on Retired Road and Equipment.....	576.34	
Miscellaneous Debits .....	19.32	
Debit Balance Carried to Balance Sheet.....		1,197,575.18
	<u>\$1,219,388.92</u>	<u>\$1,219,388.92</u>

TABLE C

## PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	*When Payable		
First Lien	\$1,500,000.00	4 %	June and December	\$ 60,000.00	June 1, 1995
Mort.	1,250,000.00	4 %	June and December	50,000.00	June 1, 1995
	<u>\$2,750,000.00</u>			<u>\$110,000.00</u>	

\*The date of Interest Payment on coupons due December, 1933, June and December, 1934, and June, 1935, has been extended to January 1, 1938, as stated on Page 6 of this report.

TABLE D

## DETROIT AND MACKINAC RAILWAY COMPANY

## COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1932	Dec. 31, 1933	Dec. 31, 1934
Cash.....	\$ 16,713.95	\$ 31,332.29	\$ 128,295.72
Special Funds.....	1,640.00	200.00	120.00
Due from Station Agents and Others.....	23,237.84	27,850.70	34,153.93
Material and Supplies.....	167,663.23	152,235.03	160,648.39
Prepaid and Deferred Charges.....	4,446.45	6,699.05	5,765.09
Other Unadjusted Debits.....	1,454.05	194.93	8,384.15
Totals.....	\$ 215,155.52	\$ 218,512.00	\$ 337,367.28
LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls.....	\$ 34,052.29	\$ 35,524.13	\$ 32,134.19
Notes Payable.....	160,000.00	250,000.00	250,000.00
Accrued Taxes, Interest and Traffic Balances.....	122,939.39	164,744.71	247,248.79
Totals.....	\$ 316,991.68	\$ 450,268.84	\$ 529,382.98
Net Assets.....	\$* 101,836.16	\$* 231,756.84	\$* 192,015.70
CAPITAL ASSETS			
Cost of Road.....	\$6,226,281.00	\$6,221,023.96	\$6,188,934.56
Cost of Equipment.....	1,068,917.62	1,058,862.99	1,053,016.47
Miscellaneous Physical Property.....	23,495.23	23,837.24	47,955.39
Investments in Affiliated Companies.....	23,015.76	26,190.49	20,276.50
Totals.....	\$7,341,709.61	\$7,329,914.68	\$7,310,182.92
REPRESENTING			
Bonds Issued — First Lien.....	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
Bonds Issued — Mortgage.....	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued — Common.....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued — Preferred.....	950,000.00	950,000.00	950,000.00
Reserves.....	733,019.04	743,779.99	757,916.03
Grants in Aid of Construction.....			313.10
Other Unadjusted Credits.....	6,247.01	2,134.04	1,310.95
Additions to Property Through Income and Surplus.....	1,856,636.77	1,856,692.77	1,856,202.32
Surplus.....	†1,056,029.37	†1,204,448.96	†1,197,575.18
Totals.....	\$7,239,873.45	\$7,098,157.84	\$7,118,167.22

†Deficit.      \*Credit.

TABLE E

## DETROIT AND MACKINAC RAILWAY COMPANY

## REVENUES AND EXPENSES BY YEARS

	REVENUES											
	1930	Per	1931	Per	1932	Per	1933	Per	1934	Per		
	Amount	Cent.	Amount	Cent.	Amount	Cent.	Amount	Cent.	Amount	Cent.		
Freight.....	\$ 887,483.73	81.97	\$ 839,619.02	83.89	\$ 639,583.75	84.16	\$ 494,230.91	82.10	\$ 530,785.20	83.86		
Passenger.....	85,392.68	7.89	57,547.48	5.75	35,248.69	4.64	30,037.41	4.99	31,770.32	5.02		
Mail.....	41,521.18	3.83	40,837.37	4.08	41,335.02	5.44	39,740.25	6.60	39,781.41	6.29		
Express.....	39,944.59	3.69	37,367.27	3.73	24,502.07	3.23	20,821.82	3.46	12,637.12	2.00		
Milk.....	14,122.76	1.30	12,203.30	1.22	8,492.13	1.11	7,559.76	1.26	8,119.51	1.28		
Other Sources.....	14,309.08	1.32	13,317.66	1.33	10,823.17	1.42	9,570.62	1.59	9,810.80	1.55		
Total.....	\$1,082,774.02	100%	\$1,000,892.10	100%	\$ 759,894.83	100%	\$ 601,960.77	100%	\$ 632,904.36	100%		
EXPENSES												
Maint. Way and Structures.....	302,397.07	31.50	168,940.90	22.99	136,571.16	22.51	115,187.24	22.63	114,118.14	22.19		
Maintenance Equipment.....	196,820.03	20.50	170,248.56	23.17	121,995.50	20.11	88,348.68	17.36	79,707.26	15.50		
Traffic.....	24,144.34	2.52	19,084.24	2.60	15,102.75	2.49	11,661.73	2.29	10,310.90	2.00		
Transportation.....	407,446.88	42.45	326,289.48	44.40	284,184.48	46.84	249,333.78	48.99	254,831.14	49.55		
Miscellaneous Operations.....									74.84	.01		
General.....	66,387.53	6.92	53,122.25	7.23	49,117.98	8.09	44,921.26	8.83	55,375.55	10.76		
Transportation for Investment—Cr.....	37,294.86	3.89	2,819.17	.39	183.87	.04	527.97	.10	85.10	.01		
Total.....	\$ 959,900.99	100%	\$ 734,866.26	100%	\$ 606,788.00	100%	\$ 508,924.72	100%	\$ 514,332.73	100%		
Net Earnings.....	122,873.03	11.35	266,025.84	26.58	153,106.83	20.15	93,036.05	15.45	118,571.63	18.73		
Taxes.....	91,649.69	8.46	70,731.10	7.07	50,001.27	6.58	42,747.21	7.10	1,733.27	.27		
Net Earnings, less Taxes.....	31,223.34	2.88	195,294.74	19.51	103,105.56	13.57	50,288.84	8.35	116,838.36	18.46		



TABLE E-1

## DETROIT AND MACKINAC RAILWAY COMPANY

## RAILWAY OPERATING REVENUES, EXPENSES AND TAX ACCRUALS BY YEARS

Year	Revenues	Expenses	Net Revenue	Railway Tax Accruals	Net Revenue Less Tax Accruals
1923	\$1,924,862.87	\$1,770,723.39	\$154,139.48	\$100,535.08	\$ 53,604.40
1924	1,925,509.21	1,601,595.44	323,913.77	126,612.46	197,301.31
1925	1,697,184.03	1,507,872.41	189,311.62	121,804.29	67,507.33
1926	1,625,950.14	1,448,330.89	177,619.25	112,759.60	64,859.65
1927	1,626,388.27	1,395,680.04	230,708.23	121,621.29	109,086.94
1928	1,668,742.83	1,238,996.90	429,745.93	130,616.03	299,129.90
1929	1,586,301.94	1,274,010.74	312,291.20	103,237.43	209,053.77
1930	1,082,774.02	959,900.99	122,873.03	91,649.69	31,223.34
1931	1,000,892.10	734,866.26	266,025.84	70,731.10	195,294.74
1932	759,894.83	606,788.00	153,106.83	50,001.27	103,105.56
1933	601,960.77	508,924.72	93,036.05	42,747.21	50,288.84
1934	632,904.36	514,332.73	118,571.63	* 1,733.27	116,838.36

\*Includes \$26,714.43 Credit Adjustment.

TABLE F  
DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES  
1934 COMPARED WITH 1933

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence.....	\$ 10,657.67		\$ 344.28
Roadway Maintenance.....	8,499.02		1,126.81
Bridges, Trestles and Culverts.....	907.49		156.69
Ties.....	17,852.48		5,725.18
Rails.....	515.69		4,103.86
Other Track Material.....	7,581.69	\$ 982.40	
Ballast.....	1,386.11	1,299.80	
Track Laying and Surfacing.....	41,165.67	2,048.74	
Right-of-way Fences.....	1,427.88	30.41	
Snow and Sand Fences and Snowsheds.....	28.00	3.00	
Crossings and Signs.....	1,603.43	173.64	
Station and Office Buildings.....	2,530.99	1,740.05	
Roadway Buildings.....	174.30	139.87	
Water Stations.....	2,398.06	2,185.50	
Fuel Stations.....	99.49	179.29	
Shops and Enginehouses.....	3,863.29	609.68	
Telegraph and Telephone Lines.....	763.33		444.23
Signals and Interlockers.....	135.60	30.79	
Power Distribution Systems.....	38.91	18.03	
Power Line Poles and Fixtures.....	4.95	4.95	
Miscellaneous Structures.....	1.59		47.04
Roadway Machines.....	1,491.84	124.22	
Small Tools and Supplies.....	2,102.66		112.63
Removing Snow, Ice and Sand.....	5,063.80	947.77	
Assessments for Public Improvements.....	52.89	52.89	
Injuries to Persons.....	1,278.78	172.45	
Insurance.....	1,168.21		43.08
Stationery and Printing.....	229.80		.47
Other Expenses.....	5.00		45.00
Maintaining Joint Tracks, Yards, and Other Facilities — Dr.....	1,269.80	365.41	
Maintaining Joint Tracks, Yards, and Other Facilities — Cr.....	180.28	28.72	
Total.....	\$114,118.14		\$ 1,069.10

TABLE F—(Continued)  
MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence.....	\$ 11,102.59	\$ 22.31	
Shop Machinery.....	1,003.51	585.84	
Power Plant Machinery — Repairs.....	561.77	561.77	
Steam Locomotives — Repairs.....	23,405.41		\$ 18.82
Steam Locomotives — Retirements.....		970.77	
Other Locomotives — Repairs.....	60.95	59.12	
Other Locomotives — Depreciation.....	745.20		
Freight Train Cars — Repairs.....	14,058.51		9,574.59
Freight Train Cars — Retirements.....	† 1,162.47	75.33	
Passenger Train Cars — Repairs.....	7,833.34	1,027.52	
Passenger Train Cars — Depreciation.....	6,907.32		
Passenger Train Cars — Retirements.....			19.11
Motor Equipment of Cars — Repairs.....	2,674.58		900.32
Motor Equipment of Cars — Depreciation.....	7,449.00		
Work Equipment — Repairs.....	† 33.09		213.30
Work Equipment — Depreciation.....	4,170.84	32.02	
Work Equipment — Retirements.....	† 176.01		448.40
Miscellaneous Equipment — Repairs.....	89.36		27.31
Miscellaneous Equipment — Depreciation.....	344.40	71.98	
Miscellaneous Equipment — Retirements.....	† 122.63		88.46
Injuries to Persons.....	727.65	96.07	
Insurance.....	701.41		421.06
Stationery and Printing.....	248.77		24.64
Other Expenses.....	214.82		114.56
Maintaining Joint Equipment at Terminals—Dr....	124.23		114.40
Maintaining Joint Equipment at Terminals—Cr....	1,222.20	179.18	

Total.....	\$ 79,707.26		\$ 8,641.42
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TRAFFIC

Superintendence.....	\$ 5,669.35		\$ 1,499.92
Advertising.....	165.04		26.10
Traffic Associations.....	1,982.32	175.78	
Insurance.....	12.40		1.92
Stationery and Printing.....	2,481.79	1.33	

Total.....	\$ 10,310.90		\$ 1,350.83
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TRANSPORTATION—RAIL LINE

Superintendence.....	\$ 13,037.14	\$ 234.03	
Dispatching Trains.....	6,455.63		\$ 424.98
Station Employees.....	43,745.84		1,010.73
Weighing, Inspection and Demurrage Bureaus....	259.83	13.38	
Station Supplies and Expenses.....	2,761.47	166.19	
Yardmaster and Yard Clerks.....	6,636.57		558.17
Yard Conductors and Brakemen.....	5,723.60		74.71
Yard Enginemen.....	5,094.57	249.10	
Fuel for Yard Locomotives.....	7,339.47	1,661.51	
Water for Yard Locomotives.....	594.98	63.26	
Lubricants for Yard Locomotives.....	232.45	77.32	
Other Supplies for Yard Locomotives.....	68.64	6.23	
Enginehouse Expenses — Yard.....	3,111.12		276.42
Yard Supplies and Expenses.....	794.99	105.02	
Train Enginemen.....	27,358.61	1,395.80	
Train Motormen.....	3,782.11		595.94

†Credit

TABLE F—(Continued)

	Amount	Increase	Decrease
Fuel for Train Locomotives.....	\$ 44,847.06	\$8,088.92	
Water for Train Locomotives.....	2,216.04	157.46	
Lubricants for Train Locomotives.....	1,367.58	132.86	
Other Supplies for Train Locomotives.....	386.24		\$ 20.21
Enginehouse Expenses — Train.....	19,053.19		1,135.52
Trainmen.....	31,365.03		838.46
Train Supplies and Expenses.....	15,563.53		1,286.62
Crossing Protection.....	225.33	.87	
Drawbridge Operation.....	2,492.22	31.52	
Telegraph and Telephone Operation.....	2,148.58		83.29
Stationery and Printing.....	2,356.37		42.36
Other Expenses.....	84.56	20.65	
Insurance.....	376.47	3.34	
Clearing Wrecks.....	227.63	103.60	
Damage to Property.....	188.92	134.64	
Damage to Live Stock on Right of Way.....	107.00	1.69	
Loss and Damage — Freight.....	3,158.34		1,216.17
Injuries to Persons.....	712.02	142.30	
Operating Joint Yards and Terminals — Dr.....	6,951.29	179.30	
Operating Joint Yards and Terminals — Cr.....	5,389.43	62.32	
Operating Joint Tracks and Facilities — Dr.....	788.47	257.48	
Operating Joint Tracks and Facilities — Cr.....	1,392.32	103.21	
Total.....	\$254,831.14	\$5,497.36	

## MISCELLANEOUS OPERATIONS

Dining and Buffet Service.....	\$ 74.84	\$ 74.84
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## GENERAL

Salaries and Expenses of General Officers.....	\$ 8,334.53	\$1,413.00	
Salaries and Expenses of Clerks and Attendants.....	16,963.86		\$ 452.72
General Office Supplies and Expenses.....	746.93		290.56
Law Expenses.....	13,223.27	4,766.27	
Insurance.....	123.05		11.89
Pensions.....	13,680.52	4,648.26	
Stationery and Printing.....	1,407.16	9.11	
Valuation Expenses.....	9.49		4.40
Other Expenses.....	886.74	377.22	
Total.....	\$ 55,375.55	\$10,454.29	

## SUMMARY

Maintenance of Way and Structures.....	\$114,118.14		\$ 1,069.10
Maintenance of Equipment.....	79,707.26		8,641.42
Traffic.....	10,310.90		1,350.83
Transportation — Rail Line.....	254,831.14	\$5,497.36	
Miscellaneous Operations.....	74.84	74.84	
General.....	55,375.55	10,454.29	
Transportation for Investment — Cr.....	85.10		442.87
Total Operating Expenses.....	\$514,332.73	\$5,408.01	

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1934

MAIN LINE

North Bay City to Cheboygan.....	195.10
One-half Undivided Ownership—Foss to North Bay City.....	.26

BRANCHES

Omer to AuGres .....	7.95
National City to Prescott .....	12.26
Alabaster Junction to Alabaster .....	4.27
Hillman Junction to Emerson .....	10.38
Rogers City Junction to Rogers City .....	14.33
<hr/>	
Total .....	49.19
Total Main Line and Branches .....	244.55
Yard Tracks and Sidings .....	62.58
<hr/>	
Total, all tracks (Miles) .....	307.13

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

	1934	Per	1933	Per
<i>Products of Agriculture:</i>	Tons	Cent	Tons	Cent
Grain .....	3,474	.8	1,059	.3
Flour .....	2,582	.6	2,628	.7
Other Mill Products .....	221	.1	109	
Hay and Straw .....	1,050	.2		
Potatoes .....	15,565	3.6	14,914	3.8
Dried Fruits and Vegetables .....	5,908	1.3	6,778	1.8
Sugar Beets .....	11,747	2.7	8,236	2.1
Other Products of Agriculture.....	1,394	.3	58	
Totals .....	41,941	9.6	33,782	8.7

TABLE H—(Continued)

<i>Animals and Products:</i>	1934 Tons	Per Cent	1933 Tons	Per Cent
Live Stock.....	1,409	.3	1,121	.3
Wool.....	64		285	.1
Hides and Leather.....	1,125	.3	1,206	.3
Other Animals and Products.....	690	.2	321	.1
Totals.....	3,288	.8	2,933	.8
<i>Products of Mines:</i>				
Anthracite Coal.....	317	.1	306	.1
Bituminous Coal.....	40,018	9.1	31,259	8.0
Coke.....	949	.2	1,048	.3
Clay, Gravel, Sand and Stone.....	199,560	45.5	186,399	48.0
Other Products of Mines.....	891	.2	2,020	.5
Totals.....	241,735	55.1	221,032	56.9
<i>Products of Forests:</i>				
Pulp Wood.....	17,533	4.1	3,760	1.0
Lumber, Shingles and Lath.....	4,913	1.1	5,074	1.3
Other Products of Forests.....	2,845	.6	4,125	1.0
Totals.....	25,291	5.8	12,959	3.3
<i>Manufactures and Miscellaneous:</i>				
Refined Petroleum and Its Products.....	35,153	8.0	29,494	7.6
Sugar.....	659	.2	418	.1
Rails and Fastenings.....	300	.1	697	.2
Bar and Sheet Iron, Structural Iron, and Iron Pipe.....	1,160	.3	912	.3
Castings, Machinery and Boilers.....	1,032	.2	563	.1
Cement.....	15,280	3.5	16,322	4.2
Brick and Artificial Stone.....	1,115	.3	505	.1
Lime and Plaster.....	11,162	2.5	10,504	2.7
Building Paper and Prepared Roofing Materials.....	868	.2	1,150	.3
Beverages.....	62		281	.1
Fertilizers (all kinds).....	716	.2	528	.1
Chemicals and Explosives.....	920	.2	822	.2
Canned Goods (all canned food products).....	659	.2	340	.1
Paper Bags and Wrapping Paper.....	5,003	1.1	5,538	1.4
Paperboard, Pulpboard and Wallboard.....	2,307	.5	2,729	.7
Other Manufactures and Miscellaneous.....	34,337	7.8	33,009	8.5
Totals.....	110,733	25.3	103,812	26.7
All L. C. L. Freight.....	15,318	3.4	13,797	3.6
Grand Total, Carload and L. C. L. Traffic.....	438,306	100 %	388,315	100 %

TABLE I

## DETROIT AND MACKINAC RAILWAY COMPANY

## FREIGHT STATISTICS

	1934	1933
Number tons revenue freight carried.....	438,306	388,315
Number tons non-revenue freight carried.....	27,186	28,488
Total number tons of freight carried.....	465,492	416,803
Number revenue tons carried one mile.....	37,193,000	29,624,000
Number all tons carried one mile.....	39,188,000	31,839,000
Number revenue tons carried one mile, per mile of road.....	153,639	122,373
Number tons all freight carried one mile, per mile of road.....	161,880	131,523
Average distance haul of one ton revenue freight (miles).....	84.86	76.29
Average distance haul of one ton all freight (miles).....	84.19	76.39
Total freight revenue.....	\$ 530,785.20	\$ 494,230.91
Average amount received for each ton of freight.....	1.21099	1.27276
Average receipts, per ton, per mile.....	.01427	.01668
Freight revenue, per mile of road.....	2,192.60	2,041.60
Freight revenue, per train mile.....	4.31	5.87
Average number of revenue tons, per train mile...	301.85	352.12
Average number of all tons, per train mile.....	318.04	378.45
Average number of all tons, per loaded car mile...	23.49	20.86
Average number of cars, per train mile.....	23.3	31.4

## PASSENGER STATISTICS

Number of passengers carried.....	14,982	15,191
Number of passengers carried one mile.....	1,132,000	1,065,000
Number of passengers carried one mile, per mile of road.....	4,676	4,399
Average distance each passenger carried (miles).....	75.56	70.11
Passenger revenue.....	\$ 31,770.32	\$ 30,037.41
Average amount received from each passenger...	2.120	1.977
Average receipts, per passenger, per mile.....	.02807	.02820
Total passenger train earnings.....	95,620.47	100,813.88
Passenger earnings, per mile of road.....	395.00	416.45
Passenger earnings, per train mile.....	.51	.44
Average number of passengers, per train mile.....	6.01	4.67

## OPERATING STATISTICS

Gross revenue from operation.....	\$ 632,904.36	\$ 601,960.77
Gross revenue from operation, per mile of road...	2,614.44	2,486.62
Operating expenses.....	514,332.73	508,924.72
Operating expenses, per mile of road.....	2,124.64	2,102.30
Operating expenses, per train mile.....	1.65	1.63
Net operating revenues.....	118,571.63	93,036.05
Net operating revenues, per mile of road.....	489.80	384.32
Ratio of expenses to earnings.....	81.27	84.54

TABLE J

DETROIT AND MACKINAC RAILWAY COMPANY

EQUIPMENT

<i>Locomotives:</i>	1933	1934
Passenger.....	6	6
Freight.....	11	11
Switching.....	5	5
Totals.....	22	22
<i>Passenger Cars:</i>		
Coaches.....	8	8
Cafe.....	1	1
Parlor.....	1	1
Gas Electric Combination Passenger, Baggage and Mail.....	2	2
Combination Passenger and Baggage.....	4	4
Combination Baggage and Mail.....	2	2
Baggage and Express Cars.....	18	18
Express Refrigerators.....	3	3
Totals.....	39	39
<i>Freight Cars:</i>		
Box.....	317	306
Flat.....	100	100
Stock.....	47	47
Coal Cars.....	382	381
Refrigerators.....	6	6
Caboose Cars.....	11	11
Totals.....	863	851
<i>In Company's Service:</i>		
Officers.....	1	1
Ballast.....	6	6
Derrick Cars.....	1	1
Flangers.....	11	11
Snow Plow.....	1	1
Jordan Spreader.....	1	1
Industrial Crane.....	1	1
Other Road Cars.....	45	43
Totals.....	67	65
<i>Summary:</i>		
Total Number of Locomotives Owned.....	22	22
Total Number of Cars Owned.....	969	955



TABLE K

**DETROIT AND MACKINAC RAILWAY COMPANY**  
**STATEMENT OF TRACKS BUILT AND TAKEN UP DURING**  
**YEAR 1934**

**TRACKS BUILT**

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Feet
1831	Track No. 3-A.....	Mills	205
1833	Tracks near Round House.....	No. Bay City	867
1839	Track No. 20.....	Tawas Shop	216
Total.....			1288

**TRACKS TAKEN UP**

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Feet
1825	Back End of Track No. 131.....	Harrisville	252
1826	Track No. 139-A.....	Ossineke	418
1827	Back End of Track No. 5.....	Tawas City	588
1829	Track No. 96-A.....	East Tawas	1937
1832	Tracks near Round House.....	No. Bay City	706
1837	Track No. 224-A.....	Waveland	330
Total.....			4231

**SUMMARY**

	Miles
Tracks Taken Up.....	.80
Tracks Built.....	.24
Net Decrease.....	.56





